

# SUMMARY ANALYSIS OF AMENDED BILL

## Franchise Tax Board

Author: Speier Analyst: Kristina North Bill Number: SB 603

Related Bills: See previous analysis Telephone: 845-6978 Amended Date: April 27, 1999

Attorney: Patrick Kusiak Sponsor:

**SUBJECT:** Credit Card Payments/Abatement of Interest/Allow FTB To Abate Interest For Same Period As IRS

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended \_\_\_\_\_.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED FEBRUARY 23, 1999, STILL APPLIES.

☒ OTHER - See comments below.

### SUMMARY OF BILL

Under the Administration of Franchise and Income Tax Law (AFITL), this bill would allow the Government Code provisions to control the Franchise Tax Board (FTB) credit card program by removing the current discount rate limitation.

Under the Government Code, this bill would require the FTB and any other state agency accepting credit cards for payment to notify each eligible payer and to provide the payer either a space on the billing statement or complete instructions on how to pay the agency by credit card.

Under the AFITL, this bill would allow the FTB to abate interest for the same period as the Internal Revenue Service (IRS) for delays resulting from an error or delay in the performance of a ministerial or managerial act by an IRS officer or employee that occurred on or before the final federal determination was made.

The April 27, 1999, amendment specified that a state agency, when sending a billing statement, may notify an eligible payer on a document provided **with** the statement, resolving the department's technical consideration in its previous analysis. This amendment also made other technical changes that would not impact the department or the collection of state income tax revenue. Except for these changes, the remainder of the department's analysis of the bill as introduced February 23, 1999, still applies.

#### Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Department/Legislative Director

Date